TITLE 312 NATURAL RESOURCES COMMISSION

Notice of Public Hearing

LSA Document #18-316

Notice of Public Hearing

Under <u>IC 4-22-2-24</u>, notice is hereby given that on December 19, 2018, at 10:00 a.m. ET, at the Natural Resources Commission, Division of Hearings, Indiana Government Center North, 100 North Senate Avenue, Room N103, Indianapolis, Indiana, the Natural Resources Commission will hold a public hearing on proposed amendments to add <u>312 IAC 18-3-25</u> to designate as pests or pathogens certain invasive terrestrial plants and to prohibit and restrict the sale, distribution, and transport of these invasive terrestrial plants.

IC 4-22-2-24(d)(3) Justification Statement: A risk assessment tool was developed by a group of terrestrial invasive species experts and members representing the plant trade. Results from the risk assessment were used to select the species that should no longer be allowed in trade in Indiana. Some of the species proposed for regulation have been in trade for many decades. At the time little was known of the capability of these plants to become invasive in nature. When an invasive species escapes into a natural environment, they displace native plants and alter the ecosystem in which the plants exist.

There are numerous other plants currently in trade that can be used to replace the species proposed for regulation. Wholesale and retail outlets can simply replace the invasive species that are proposed for regulation with a non-invasive species that will have similar customer appeal. There are many plants with similar characteristics to the species proposed for regulation that can be substituted that do not pose a threat to the environment. Other than the possible destruction of regulated species inventory, there should be no other economic loss to businesses.

Eliminating invasive species from infested natural resources such as native forests can be difficult and expensive. A survey of invasive species control projects was taken during the evaluation process for this rule and over 8.6 million dollars per year is being reported as spent by private and publicly held land managers in Indiana for terrestrial invasive species control on an annual basis. Nonprofit groups like the Little River Wetlands Project report spending over \$100,000 per year to control invasive species on their property. Federal lands like Crane Naval Base recently spent 5 million dollars to control invasive species on their properties. State, county, and city parks and properties report spending tens of thousands of dollars each year to maintain their forests so that visitors can utilize their properties safely. Ecological restoration companies surveyed report spending over a million dollars in invasive species removal alone.

Terrestrial invasive plants also negatively impact the timber trade here in Indiana. Foresters are spending more time on invasive species control than they are in planting new trees as they harvest their crops. The cost of treating invasive plants in woodlots varies from a reported \$100 per acre to \$1,000 per acre per year. Without these control measures the harvested lands would be taken over by invasive plants that are able to regenerate faster than the desired species thereby reducing the number of trees growing in the woodlot. If no control efforts were undertaken during regeneration, the forests would be unsustainable and therefore not a desirable crop. At that point it's in the land manager's best interest to sell, clear, or develop the land. Indiana currently has 4.87 million acres of forest land (20% of the entire land area of the state). Per the Indiana department of agriculture, \$7 billion (2.4%) of Indiana's gross domestic product revolves around timber and the hardwood industry. Considering the importance of the forests to the economy in Indiana, the small cost or inconvenience to take an invasive plant species out of trade pales in comparison to the cost to eradicate a species once it escapes into the environment.

Nursery growers and nursery dealers are subject to the proposed rule. There are approximately 314 licensed nursery growers registered in the state. It is estimated that a small portion, perhaps as many as 20 of these nurseries, produce any of the species being considered for regulation. There are nearly 3,500 retailers in the state that sell plants including landscape retail stores, big-box stores (i.e., Lowes, Walmart), and grocery chains. Of those retail outlets, it is estimated that as many as 1/3 may sell a few of the plants listed for regulation. Of that 1/3, only 200 hold plants over from season to season. Only vendors holding stock from season to season will be economically impacted by this rule. The other businesses would simply substitute similar plants into their inventory when ordering stock for the subsequent year.

It is expected that the economic impact to production nurseries, wholesalers, and retailers will be in disposal of existing stock. After a business is in compliance, there would be no annual economic impact. Businesses that produce or sell regulated species will need to eliminate all existing inventories of the regulated species. Of the 44 plants listed for regulation only 22 can be found in trade. A survey conducted by the division of entomology and plant pathology (DEPP) found 4 of the 22 plants (black alder, wintercreeper, amur honeysuckle, and common buckthorn) are regularly grown or produced in Indiana. The same survey discovered that if we extrapolate these findings to the rest of the nursery industry we can estimate that perhaps \$150,000 in plants may require destruction by the implementation of this rule.

The approval and implementation of this rule will take almost a year, which should provide adequate time for

businesses not growing stock to replace these plants in their inventory with something similar. This would significantly reduce if not eliminate the economic impact to retailers that neither grow nor hold over plant stock from season to season.

Through education outreach provided by the Indiana department of natural resources (IDNR), businesses who sell these plants will learn about the rule prior to final adoption. This will give these businesses time to adjust their inventory and not order prohibited species as rule promulgation nears. If this is the case, they would have little inventory to eliminate when the rule is implemented. The winter is generally when retail outlets order plants that they sell during the next growing season. As the rule progresses and prior to retailers placing their orders, the IDNR will reach out to the retail outlets so that they are aware that some species may be prohibited in the future. Retailers may then avoid ordering those species so that they will not have to destroy inventory when the rule comes into effect.

There are numerous other plants currently in trade that can be used to replace the species proposed for regulation. Wholesale and retail outlets can simply replace the invasive species that are proposed for regulation with a non-invasive species that will have similar customer appeal. There are many plants with similar characteristics to the species proposed for regulation that can be substituted that do not pose a threat to the environment. Other than the possible destruction of regulated species inventory, there should be no other economic loss to businesses.

Individuals requiring reasonable accommodations for participation in this event should contact the Natural Resources Commission at:

Indiana Government Center North 100 North Senate Avenue, Room N103 Indianapolis, IN 46204-2273 Attn: ADA Compliance

or call (317) 232-4699. Speech and hearing impaired callers may contact the Commission via the Indiana Relay Service (711) or (800) 743-3333. Please provide a minimum of 72 hours notification.

The proposed rule amendments together with any data, studies, or analyses relied upon under <u>IC 4-22-2-24(d)</u> may be inspected and copied at the Natural Resources Commission, Division of Hearings, Indiana Government Center North, 100 North Senate Avenue, Room N103, Indianapolis, Indiana.

Bryan W. Poynter Chairman Natural Resources Commission

Posted: 11/21/2018 by Legislative Services Agency An httml version of this document.